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11 **UNITED STATES DISTRICT COURT**  
12 **NORTHERN DISTRICT OF CALIFORNIA**

13 BRIAN CAROLUS, individually and on  
behalf of all others similarly situated,

14 Plaintiffs,

15 v.

16 COINBASE GLOBAL, INC.,  
17 COINBASE INC., AND COINBASE  
BERMUDA SERVICES LIMITED,

18 Defendant.

Case No. 3:25-cv-03089-CRB

**PLAINTIFF'S RESPONSE TO COINBASE'S  
STATEMENT OF RECENT DECISION**

Date September 19, 2025  
Time 10:00 a.m.  
Judge: Honorable Charles R. Breyer  
Location: Via videoconference

1 Plaintiff files this response to explain why he has not stipulated to arbitration, despite the  
 2 unusual circumstance where this Court recently compelled arbitration for the same underlying  
 3 agreement for the same defendant. *Cordero v. Coinbase, Inc.*, No. 3:25-cv-4024-CRB, 2025 WL  
 4 2223495 (N.D. Cal. Aug. 5, 2025). Plaintiff respectfully submits that *Cordero* does not control here  
 5 because it was decided on a materially different record.

6 In *Cordero*, the plaintiff did not challenge the AAA’s Mass Arbitration Supplementary  
 7 Rules. See Exhibit 1, Cordero’s Response, at 7, 12 n.9. The rules challenged by *Cordero*—the User  
 8 Agreement and the AAA’s Consumer rules—provide for consolidated individual arbitrations but  
 9 are silent on whether batched proceedings bind absent claimants. *Id.*; see also ECF No. 33-1, Ex.  
 10 5, App’x 5, § 1.8. On that record, this Court accepted the premise that “[t]here are no ... proceedings  
 11 that bind absent parties.” *Cordero*, 2025 WL 2223495, at \*5. Plaintiff agrees that, based on the  
 12 *Cordero* record, the Court’s decision was correct: consolidation alone does not raise the due process  
 13 concerns addressed in *Heckman* and *Jones*. See, e.g., *Jones v. Starz Entertainment, LLC*, 129 F.4th  
 14 1176, 1182 (9th Cir. 2025) (“Consolidation is not the same as class or representative arbitration.”).

15 Here, however, the record is different. Coinbase’s User Agreement incorporates the AAA’s  
 16 Consumer Arbitration Rules **and** the AAA’s Mass Arbitration Supplementary Rules.<sup>1</sup> ECF No. 34,  
 17 at 2. Those Supplementary Rules—while retaining a consolidated structure—expressly authorize  
 18 arbitrators to apply precedent from prior batched proceedings to both substantive and jurisdictional  
 19 issues, thus binding absent parties. See ECF No. 34, at 2-3, 5, 12 (citing MA-6(c)(x) and MA-6(d)).<sup>2</sup>

20 These provisions—establishing that Coinbase’s arbitration procedures bind absent parties—  
 21 were not before this Court in *Cordero*. This binding-precedent feature is precisely what takes an  
 22 arbitration agreement outside the FAA’s protections, consistent with *Heckman* and *Jones*. For these  
 23 reasons, *Cordero* is not controlling here.

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 26 <sup>1</sup> Coinbase does not dispute this. See ECF No. 36, at 3.

27 <sup>2</sup> While Coinbase argued that the AAA’s Mass Arbitration Rules allow claimants to “address applicability  
 28 of [previous] rulings,” it did not dispute that the arbitrator has authority to decide jurisdictional issues—such  
 as the enforceability of the delegation clause—on a non-individualized basis. ECF No. 37, at 6 (not  
 addressing MA-6(d)); compare with ECF No. 34, at 12 (discussing MA-6(d)). In any event, applying the  
 rulings of earlier cases is, by definition, applying precedent.

1 Dated: August 19, 2025

Respectfully submitted,

2 **STEPHAN ZOURAS, LLC**

3 By: /s/ Justin M. Caparco

4 Justin Caparco

5 *Counsel for Plaintiff*

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